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USDOC FOR 532/OEA/LHINES/ADYSON  
USDOC FOR 3132 FOR FCS/OIO REGIONAL DIRECTOR WILLIAM ZARIT  
BICE FOR OFFICE OF STRATEGIC INVESTIGATIONS

SIPDIS

E.O. 12958: N/A

TAGS: [BMGT](#) [BEXP](#) [HK](#) [ETRD](#) [ETTC](#)

SUBJECT: EXTRANCHECK: POST SHIPMENT VERIFICATION: WING LEE TRADING  
CO LTD.

REF: A) USDOC 00801

11. Unauthorized disclosure of the information provided below is prohibited by Section 12C of the Export Administration Act.

12. As per reftel A request and at the direction of the Office of Enforcement Analysis (OEA) of the USDOC Bureau of Industry and Security (BIS), Export Control Officer Philip Ankel (ECO), conducted a post shipment verification (PSV) at Wing Lee (China-Hong Kong) Trading Co. Ltd., Factory Unit No. 10, 2/Fwang Hoi, Kowloon Bay Industrial Center No 15, Kowloon, Hong Kong (Hong Kong Wing Lee). The items in question are semiconductors exported to Hong Kong Wing Lee on or about October 18, 2007 and collectively valued at approximately USD 3,572. The items are classified under Export Control Classification Number (ECCN) 3A001 and are controlled for national security (NS) reasons. Rochester Electronics of Newburyport, Massachusetts was the exporter.

13. A review of the Hong Kong Companies Registry reveals that Hong Kong Wing Lee has been in existence since 2003. It has paid-up share capital is the Hong Kong equivalent of USD 25,000. Its sole director and shareholder is Xie, Xiaoping. The Registry lists his mainland identification card number as 432902670208877. Xie, Xiaoping is also a director in Jiatai International (Hong Kong) Industrial Limited. The registered address of Wing Lee is also the address of China Star Logistics, Ltd. This company (established in 2004) has the Hong Kong equivalent of USD \$125,000 in paid-up capital and its sole director is Hong Kong resident Tsang, Kui Long (HK ID number H090469(6)).

14. ECO attempted to conduct web based research on Hong Kong Wing Lee but was unable to locate a web presence. However, Shenzhen Wing Lee Import Export Trading Company exists in Shenzhen (Shenzhen Wing Lee). As noted below, this company is related to Hong Kong Wing Lee.

15. A further web search of the contact details provided to ECO by OEA revealed that a number of companies in mainland China and Hong Kong use Wing Lee's telephone number as their contact telephone number. These companies are discussed in greater detail below. They include Shenzhen Newwoo Electronics Co. Ltd., Hong Kong Juno Limited, Juster Electronic Limited and Shenzhen Meixinsheng Co. Ltd.

16. FCS Commercial Assistant Carrie Chan attempted, on several occasions, to schedule the PSV. Often, the phone rang without answer. In other instances, the person on the line (a Mr. Wong) stated that there was no purchasing activity in Hong Kong and it would therefore be pointless to meet to discuss the transaction. Mr. Wong, at one point, suggested that ECO meet on Saturday or Sunday so as not to disturb the business of the company. After close to two months of attempts, Mr. Wong agreed to meet.

17. On April 28, 2008, ECO and Commercial Assistant Carrie Chan

visited the company and met with Mr. Wong. The company is located in an older industrial/warehouse building. Its offices consisted of one room filled with various collapsed boxes, two old desks, two phones and a fax machine. There is no signage on the door indicating the name of the office tenant. A second staff person was in the office during the meeting but she was not introduced.

¶18. Mr. Wong (full name Wong, Tak Hung) did not have a business card to share with the ECO. He stated that the company accepts delivery of certain items on behalf of many clients. When those items arrive, Mr. Wong or his colleague calls the client who then sends someone to pick up the package. All shipments are destined for mainland China. Mr. Wong stated that Mr. Xie is the owner of the company as well as the principal in Shenzhen Wing Lee. Mr. Wong claimed to be unsure of the names of his customers but did stress that the Hong Kong operation makes no orders and issues no invoices.

All of the day-to-day operations of the company are conducted from Shenzhen Wing Lee. Mr. Wong stated that he knows nothing about the operations of Shenzhen Wing Lee. He also claimed ignorance about the activities of the various companies listed above that use his office phone number as their contact details on the web (Shenzhen Newwoo Electronics Co. Ltd., Hong Kong Juno Limited, Juster Electronic Limited and Shenzhen Meixinsheng Co. Ltd.). After some prompting, Mr. Wong stated that he had heard of Junotech and Meixinshen). He stated that he assumed these companies use his company's phone number to give the appearance that they have an actual Hong Kong presence. He further stated that he assumed that these were the customers of Shenzhen Wing Lee. When asked about the exporter, Rochester Electronics, Mr. Wong stated that he had heard the name and had likely received shipments from the company.

¶19. When asked about the shipment in question, Mr. Wong stated Hong Kong Wing Lee had not issued the order (notwithstanding that the header on the Purchase Order lists the Hong Kong Wing Lee address in

Hong Kong). He further stated that Hong Kong Wing Lee had not paid for the items and that he knew nothing about the particular order. When asked whether he might have documentation confirming delivery of the items, he stated that he did not and that these had likely already been thrown out (the office was in some disarray but ECO did observe certain binders with documents predating the date of the shipment in question). ECO did not find Mr. Wong's explanations or claims of ignorance to be credible.

¶10. When pressed about how the business works in practice, Mr. Wong stated that he has the company stamp for 5-6 companies. He uses these to stamp delivery documents. Mr. Wong disclosed the names on two company stamps. They are HK Juno Limited and Ronin Investment Limited (discussed below). When asked whether Hong Kong Wing Lee had any additional business premises in Hong Kong, Mr. Wong stated that it did not. A visit to the registered address of Hong Kong Wing Lee revealed that it has an additional office (collocated with China Star Logistics Limited).

¶11. RECOMMENDATIONS: ECO recommends that OEA conduct a thorough review of all shipments to Hong Kong Wing Lee and Shenzhen Wing Lee as well as a range of related companies in Hong Kong and mainland China discussed below. ECO recommends a check of all shipments to the addresses of those entities as well. ECO further recommends that BIS conduct a closer review of the transaction documents provided by Rochester Electronics as these reveal potential wrongdoing by Rochester employees during the order process.

¶12. Ronin Investment Limited: This company has been in existence since 1993. Its directors are mainland Chinese national Cao, Gang (ID number 510002710403031) and Hong Kong resident Tso, Yung (HK ID P355129(A)). As noted above, Mr. Wong of Hong Kong Wing Lee accepts shipments on behalf of this company.

¶13. Newwoo Electronics (HK) Limited and Shenzhen Newwoo Electronics Co. Ltd. Shenzhen Newwoo's web site ([www.newwoo.com](http://www.newwoo.com)) states that this company is a high-tech agent specialized in EMC Shielding Materials (electromagnetic shielding), EMI filter, frequency control and microwave products. This company's contact number is the same as Hong Kong Wing Lee's contact phone number. The Hong Kong entity was registered in 2005 and has the Hong Kong equivalent of USD 1250 in share capital. Its directors are listed as mainland nationals

Sheng, Danhua (passport number G09579352) and Ye, Fang (passport number G10337884). The Hong Kong address is listed as 7/F, Kin On Commercial Building, 49-51 Jervois St., Sheung Wan, Hong Kong.

¶14. Hong Kong Juno Limited and Shenzhen AOLSTER Industry Co, Ltd. The web site for these related companies (www.jstsemi.com) states that these companies (part of Junotech) are engaged in the trading of various power components including high voltage bipolar transistors. According to the web site, Junotech also has a temporary agency in the United States. The Hong Kong contact number is the same as the Hong Kong Wing Lee phone number although its address is different (Rm., 704B, 7/F, Hing Wah Centre 82084 To Kau Wan Road, Kowloon, Hong Kong). According to the Hong Kong Companies Registry, Hong Kong Juno Limited has been in existence since 2004 and has the Hong Kong equivalent of USD 1250 in paid-up share capital. Its directors are mainland national Chen, Liwei (no passport number given) and Hong Kong resident Po, Yu (HK Identification number P555108(4)). Mr. Wong has the company stamp for this company in order to accept deliveries on its behalf.

¶15. Shenzhen Meixinsheng Co., Ltd. This company's Hong Kong contact number is the same as Hong Kong Wing Lee. According to its web site (www.szmxs.com), the company is a professional components supplier for mobile phone and digital products. The Hong Kong Companies Registry has no listing for this company.

¶16. Juster Electronic Limited is located in Hong Kong and Suzhou, mainland China. The Hong Kong address of this company is the same as the address for Shenzhen Meixinsheng (described above). According to this company's web site, it is an agent for various electronics components. Juster Electronic Limited in Hong Kong was registered in 2002 and has the Hong Kong equivalent of USD 1250 in paid-up share capital. Its sole director is listed as mainland national Sun, Junhong (passport number G21164299).

¶17. Rochester Electronics: A close review of the transaction documentation provided by OEA reveals several points worthy of further follow-up by the BIS Office of Export Enforcement. The Rochester Packing Slip for this shipment lists the items in question as falling under ECCN 3A001.A.2.C. This ECCN may be shipped to Hong Kong license free but ECO believes it would likely require a license for shipment to mainland China. ECO notes that Rochester has authorized distributors in Hong Kong but this particular order apparently went from Wing Lee Hong Kong to Rochester's offices in

Shanghai. Notwithstanding that Mr. Wong stated that Hong Kong Wing Lee generates no purchase orders, all Rochester documentation lists Hong Kong Wing Lee as the purchaser and Consignee. Internal Rochester correspondence (from Zoe Feng in Shanghai) lists Hong Kong Wing Lee as the customer. Based on further e-mail correspondence, Ms. Feng subsequently stated that the ultimate end user is Hong Kong Ascend Medical Co., Limited located at 7/F Kin On Commercial Building, 49-51 Jervis Street, Sheung Wan, Hong Kong. ECO notes that this address is the same address as Newwoo (listed above) and is located at the offices of a corporate secretarial service. A separate End Use Statement purportedly provided to Rochester Electronics by Hong Kong Wing Lee (listing Liu, Ling as the signatory) lists Hong Kong Wing Lee as the end-user. Mr. Wong stated that he does not recognize the name Liu, Ling.

¶18. In light of the facts noted above, ECO recommends that OEA conduct a thorough review of shipments to a range of companies as well as shipments to the addresses of those companies. ECO Further recommends that Hong Kong Wing Lee be added to the Unverified List. Finally, ECO recommends that BIS OEE consider investigating the circumstances surrounding the receipt by Rochester Electronics of this order and the company's subsequent shipment of the items.

Cunningham